



Competitive Asset Assessment: Part III Diversification Strategies

FOUR CORNERS ECONOMIC
DEVELOPMENT

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Agenda

Scope of Work

Development Concepts

Diversification Strategies

Project Ideas

Making Decisions

Project Development

Next Steps



Scope of Work

Part I Asset Identification and Assessment

Part II Competitive Asset Assessment

Part III Diversification Strategies



Development Concepts



Focus on Basics (the meat and potatoes of economic development) – Keep what you Have, Grow what you Need, Attract what you Can



Build on unique or substantial Assets



Cultivate Clusters



Work toward Innovation



Industry Cluster /'indəstrē 'kləstər/

A group of firms & related economic actors & institutions that are located near one another & that draw productive advantage from their mutual proximity & connections.

Regional Cluster /'rējənl 'kləstər/

Geographic agglomerations of firms in the same or closely related industries.



Traded Cluster

Local Cluster

THE ENGINES OF REGIONAL ECONOMIES
Serve markets in other regions or nations

THE FOUNDATION OF LOCAL ECONOMIES
Sell products and services primarily for the local market

Concentrated in regions that afford specific competitive advantages

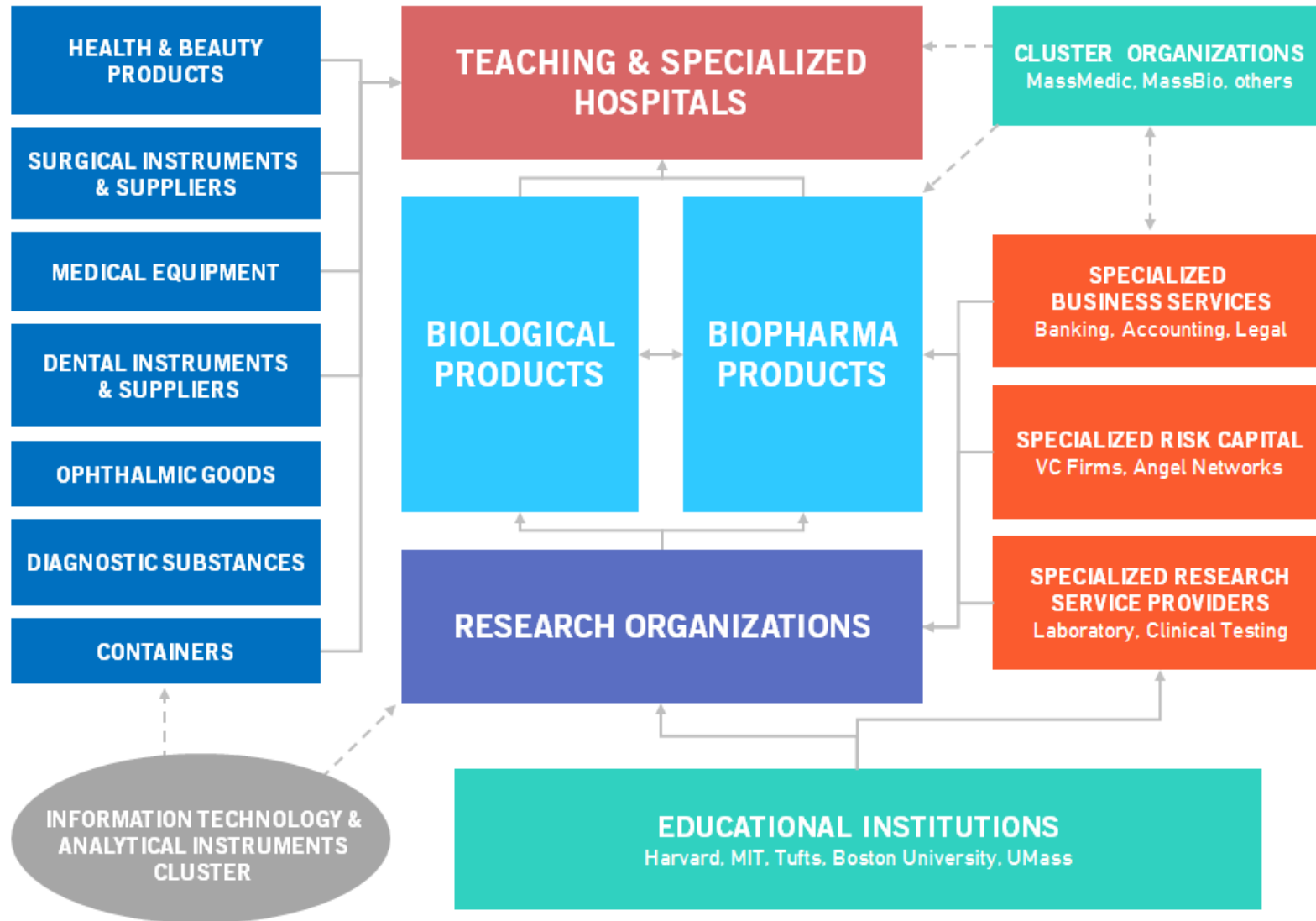
Located in every region

Example industries: aircraft manufacturing, management consulting, iron ore mining

Example industries: drug stores, physician offices, elementary schools, radio networks



The Boston Biopharmaceuticals Cluster



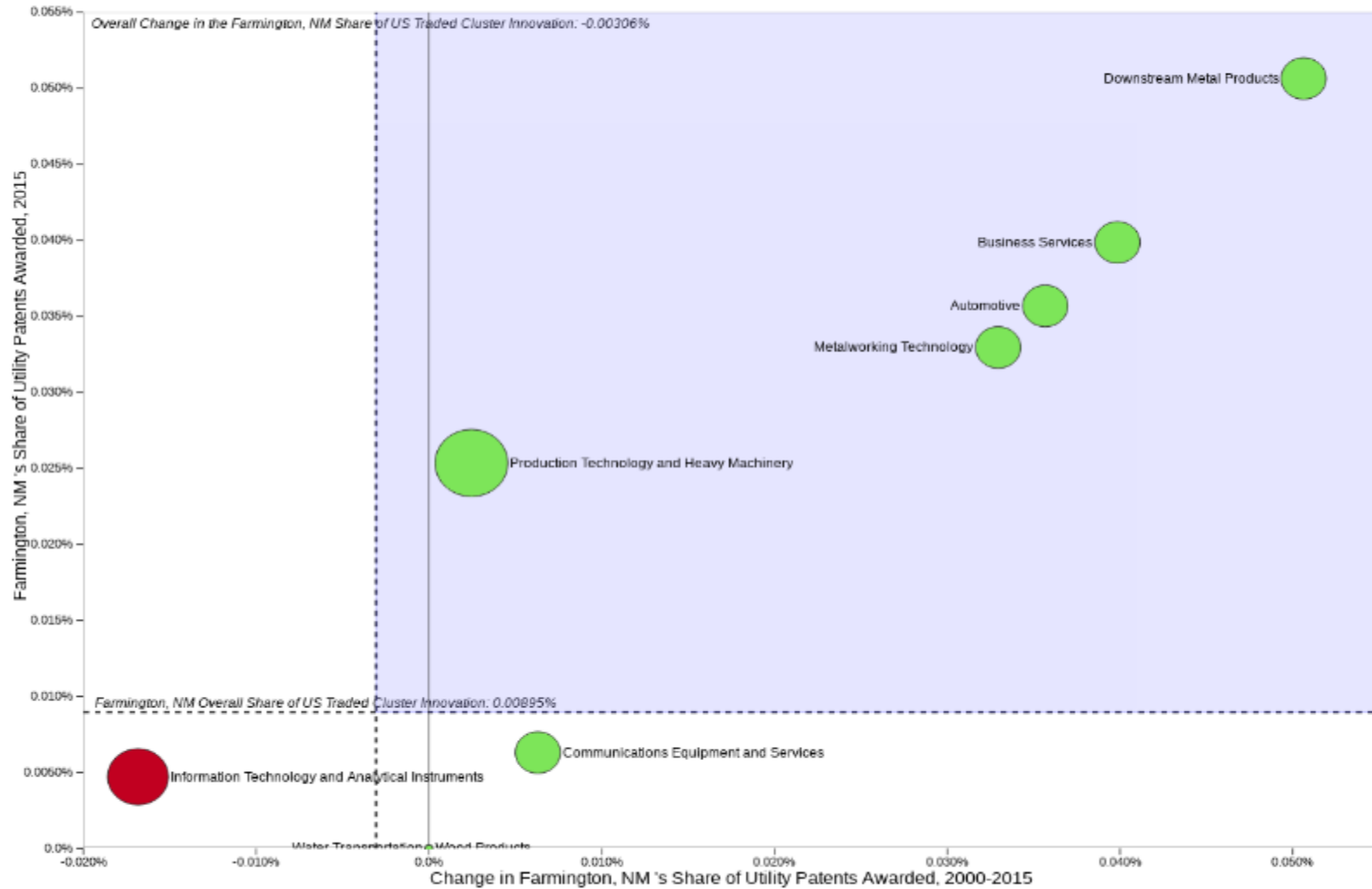
Farmington, NM

Innovation by Traded Cluster, 2000 to 2015

Click on a bubble or click and drag a box around an area to zoom.

Innovation
2000-2015

- Share increased
- Share decreased



Source: U.S. Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School. Data Sources



Diversification Strategies

- ❖ Attract, grow, and retain manufacturing, and supporting companies, in targeted sectors.
- ❖ Attract, grow, and retain traditional and alternative energy related companies.
- ❖ Attract, grow, and retain manufacturers, outfitters, and service providers related to outdoor recreation.
- ❖ Build and support agriculture and agriculture related businesses.
- ❖ Attract retirees and location neutral workers.
- ❖ Capture existing visitor dollars spent elsewhere.
- ❖ Explore healthcare as an economic anchor and future growth industry.
- ❖ Build the capacity of 4CED to support complex development projects.



Project Ideas Showcase



Manufacturing:

- ID and promote featured properties
- Industrial Land Assembly and Building Upgrades
- Targeted expansion or relocation of outdoor recreation manufacturer or related activities

Energy:

- Alternative energy application opportunities: solar, carbon capture, hydrogen, helium

Agriculture:

- NAPI Brand Promotion
- Farmers Market / Shared Kitchen / Incubator
- Sustainable Small Ranches – Shared Ownership Meat Processing

Remote Worker Attraction:

- Attraction package focused on welcoming community

Outdoor Recreation and Tourism Capture:

- Cross-marketing and event enhancement
- Capture visitor spending

Healthcare:

- Economic anchor institution analysis

Organizational Development:

- 3-5 year project work plan
- Website enhancement for project focus



Project Ideas - Manufacturing



- ✓ ID and promote featured properties
- ✓ Industrial Land Assembly and Building Upgrades
- ✓ Targeted expansion or relocation of outdoor recreation manufacturer or related activities

Fabricated Metals and Machinery

Irrigation and Drilling Equipment

Natural Gas Intensive Users

Build pipeline of manufacturing ready workers and entrepreneurs through early exposure and experiences

Food Processing

- Oil Seed Press
- Meatpacking
- Pelletized Alfalfa
- Potato Chips

Example

Industrial Park Spec Building, Tiffin-Seneca Economic Partnership



Project Ideas – Development Capacity Product Development

Product Development

- Support redevelopment SJCIP building and park
- Improved individual industrial buildings and sites
 - Larger sites
 - Prime energy connections
- Broadband enhanced throughout the region
- Spec building
- New industrial park

Example

Spec Building Tiffin-Seneca Economic Partners



Speculative Industrial Building

Example: Tiffen-Seneca Economic Partnership

www.tiffinseneca.org

Tiffin-Seneca Economic Partnership, an economic development organization serving the City of Tiffin and Seneca County in Ohio, has built and sold several “spec” industrial buildings. The building is sited on 12 acres in the Eagle Rock Business Park. The building is 50,000 square feet including office space. The building has expansion potential to 200,000 square feet.

Funding is provided by local investors.

Previous success with the “spec” model includes, stand alone structure TH Plastics, MBDS at Eagle Rock Business Park, and QT2 and Sonoco at Northstar Industrial Park

Tiffin is a city of 17,473 population and Seneca County population is 55,251 (2020).



“This strategic project will position Tiffin for new opportunities to grow our manufacturing base and bring good, high-paying jobs to our area. I am proud of the work we have done to bring this project to fruition and than our investors who made this possible.”

Mayor Aaron Montz



Project Ideas – Energy: Build on San Juan County’s Deep History and Experience



✓ Alternative energy application opportunities: solar, carbon capture, hydrogen, helium

Hydrogen – Four State Hydrogen Hub

Hydrogen – Individual projects

Helium

Carbon Capture + Sequestration

Solar

Heat Pumps

Well Capping

Energy Storage

Examples

ADM + State of Illinois

Illinois Repurpose of Coal Mines

Kayante



Energy: CO2 Sequestration

ADM + University of Illinois, Illinois Basin – Decatur Project

Agricultural giant ADM in Decatur Illinois in partnership with the University of Illinois successfully captured and stored over 1 million metric tons of CO₂, (*equivalent to emissions from 1.2 million cars*) 1.5 miles underground in a decade-long test of commercial-scale, technological feasibility known as the Illinois Basin – Decatur Project. Environment + Energy Leader magazine called it as a top project for 2022. Together with a second project, The Illinois Industrial Sources Carbon Capture and Storage Project, more than 3.4 million metric tons of CO₂ have been sequestered to date. Building on these programs, ADM in partnership with Wolf Carbon Solutions proposed earlier this year, a 280-mile pipeline to transport CO₂ from ADM plants in Iowa to the storage site.



NETL
NATIONAL ENERGY TECHNOLOGY LABORATORY



Solar Energy Plant

Example: Kayenta Navajo Tribal Utility Authority

Kayenta I and II, owned by the Navajo Tribal Utility Authority, is a 55 MW solar energy plant that produces green power on the Navajo Nation near Monument Valley Arizona. The Kayenta facilities help NTUA supplement its [power resource mix](#) and maintain some of the lowest consumer electric rates in the region.

A contract was signed in January by the Salt River Project, NTUA and the Navajo Nation for a new 200 MW solar resource on the Navajo Nation called Cameron Solar that is set to be operational by the end of 2023.



Energy: Coal to Solar in Illinois

Example: Vistra Energy

Vistra will build 20-68 MW of solar at each of six retired coal plants and put 37 MW of storage at three others, all downstate; NRG will build 72 MW of storage at two sites in the Chicago area. Under Illinois's "Climate and Equitable Jobs Act" passed in fall 2021, both companies will receive incentives. Critics note that the state is paying above market rates for RECs but recognize the need to aid these communities.



Project Ideas – Development Capacity

Tell Your Best Story

Improved Website

- Enhanced property search tool
- Capture all properties
- Promote featured sites
- Success stories ie SJ College training
- Obsessive updating of good news
- Communities update their pages

Outreach

- Offer expansion options to land-constrained Durango operations
- Breakfast with Albuquerque brokers
- Outreach to selected other markets ie southern California, Colorado, Utah



Project Ideas – Development Capacity Build From Within

Support Existing Business / Build New Ones

- Consistent Business Retention and Expansion Program
- Enhanced entrepreneurship support
- Incubator, co-working, makerspace enhancements and support
- Continuum of capital including venture and angel funding

Example

MatchBOX Coworking Space, Lafayette, IN

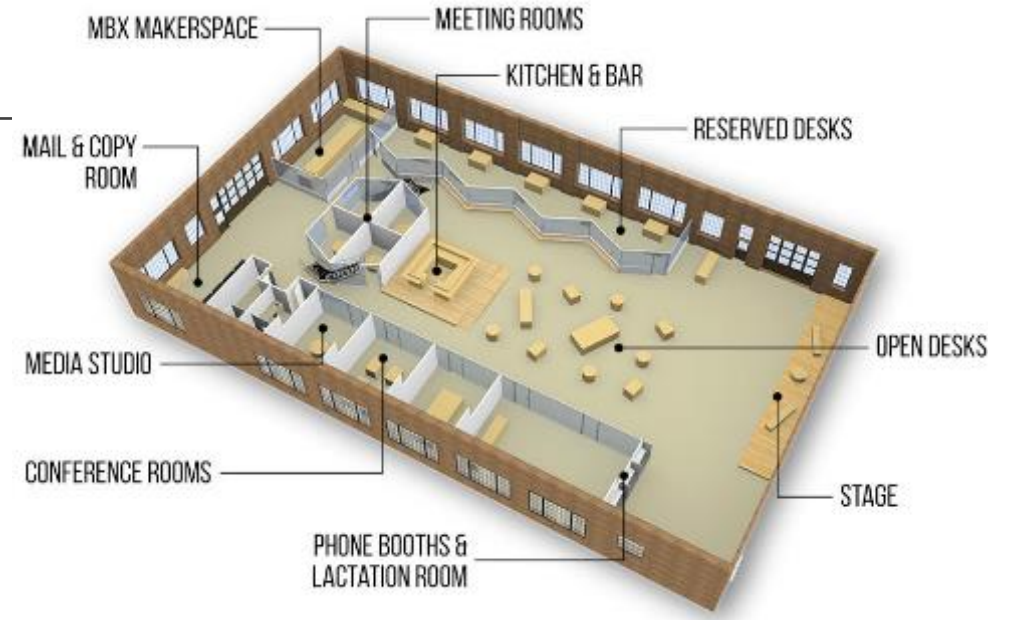


Enhanced Coworking Space

Example: MatchBOX Coworking Studio, Lafayette, IN In

MatchBOX Coworking Studio is a 24/7 shared office space. It is a coffee shop + bustling office + meeting rooms + makerspace + resources for business. All in a renovated historic garage.

It's a place to work for those who don't have places to work. Prices begin at \$19 /day and \$99 / month. The space is about the people there, and we only ask that you be willing to contribute to the success of the others around you.



24/7 ACCESS

- ✓ 24-hour office space
- ✓ 9 conference rooms + phone booths
- ✓ Fast wifi + free coffee



NEXT-LEVEL AMENITIES

- ✓ Reserved desks + mailboxes
- ✓ Legit makerspace
- ✓ Courses + workshops



BUILT-IN COMMUNITY

- ✓ Sweet downtown location
- ✓ Members-only meetups
- ✓ Work friends!



LEAVE YOUR TIE

- ✓ Whatever your work, you're welcome here
- ✓ Bring a laptop or a backpack
- ✓ Birkenstocks welcome



Project Ideas - Agriculture



- ✓ NAPI Brand Promotion
- ✓ Farmers Market / Shared Kitchen / Incubator
- ✓ Sustainable Small Ranches – Alternative Business Strategies Meat Processing

Farmers' Market / Incubator / Shared Kitchen

Micro-brewery / Taproom / Pizza Kitchen

Food Processing

- Pressed Seed Oil
- Alfalfa Pellet Mill
- Potato Chip Plant
- Meatpacking

Examples

Bedre Chocolates

One Barrel Brewing Company

GnomeTown Brewing Company



NAPI Brand Promotion

Example: Bedre Chocolate Chickasaw Nation

Bedre chocolatiers reflect the time honored traditions of the Native American peoples who first cultivated this delicacy.

Owned by the Chickasaw Nation, Bedre Fine Chocolate blends ancient tradition and modern flavor by adhering to the highest standards for a premium quality product.

Partners with their cacao farmers, beans are sustainably farmed and traceable.

From ideation to production a strategic partnership with us is available for private label co-packing with FDA compliant labeling and SQF certified programming.



Sustainable Small Ranch Model

Example: Alternative Business Strategies



- Shared ownership through cooperative, collective, or ESOP (1,700 coops, 2 million members, 250,000 emps)
- Moving lifestyle business to productive enterprise
- Shared purchase of equipment and employment of additional labor
- Potential for value-added agriculture, ie, ownership of meat processing facility, distribution channels, co-packing
- Enhanced ability to adjust to drought, animal loss, crop failure, increased costs
- Greater incorporation of advanced technologies for productivity, sustainability, and innovation



Entrepreneurship and Training

Example: One Barrel Brewing, Door County WI and GnomeTown Brewing, Fort Wayne IN

- Shared space taproom for home brewers
- Brewing education and mentoring
- One kettle rental, taproom showcase, sales
- Brewing supplies, merchandise
- Locally sourced hops
- Pizza kitchen using spent grain



Project Ideas - Outdoor Recreation and Tourism Capture



- ✓ Targeted Expansion or Relocation of Manufacturers, Outfitters, and Service providers

Examples

Pere Marquette River Lodge

- ✓ Capture visitor spending

Custom Products + Services Start-ups



Tourism Capture

Example: Pere Marquette River Lodge



Lodge - Outfitters - Guides - Entrepreneurship

The Pere Marquette River Lodge is the headquarters for year-round Northern Michigan exploration. The 14-acre complex claims 750 ft. of prime frontage on the famous Flies Only No Kill section of the Pere Marquette River – the longest un-dammed trout stream in Michigan, a National Scenic River and among the first rivers in America to be stocked with brown trout.

A variety of lodging options are offered, from cozy rooms in the main lodge to charming cabins and full houses for large groups. They are an Orvis-endorsed outfitter and a 2015 endorsed outfitter of the year finalist. The fly shop carries everything needed for your time on the water.

Guides are experts at ensuring the best possible fishing experience. Guides love to teach and watch others catch fish as much as they love to fish themselves. Guides are licensed, insured as well as federally & state permitted. 2 person full day is \$500. Includes lunch/dinner, tackle and transportation 2 person half day is \$350. Includes snack, beverages, tackle and transportation.

The Lodge is within walking distance to the Pere Marquette River, and sleeps a maximum of 34 people in 10 rooms. Both first and second floors have five rooms with conditioning, bathroom with shower, cable TV and wireless Internet is available throughout the lodge. Room #15 is handicap accessible. The great room, with its toasty log fireplace, is an ideal place to gather to tell your fishing stories from a day on the river. There is also a full kitchen where meals can be prepared. The lodge is great for family reunions, getaways, and corporate retreats.



Tourism Capture Example: Pere Marquette River Lodge



Pheasant Hunt

2020 Pheasant Hunt Schedule

Includes – 10 birds / person, 2 nights in main lodge with continental breakfast Saturday lunch

Arrive Friday evening for cocktails and gossip

Saturday 9am – 4pm Hunt 10 birds / person includes Lunch

Sunday hunt wild birds on your own or book a guide and go fishing

Maximum 10 people on the hunt. first come, first served

\$400/person based on double occupancy

\$425/person based on single occupancy



Project Ideas – Tourism Capture

High-end RV Park with Horse corral

Example

Boutique hotel

Biggest Week in American Birding, Oak Harbor, Ohio

Glamping

International visitor facilitation

Event sponsor packaging

Experience packages

- Photo safari
- Birding
- Culture + history
- Outdoor recreation events



Tourism Capture

Example: Biggest Week in American Birding Oak Harbor, OH

Transformed popular regional event to major international attraction.

Monetized outdoor birding into fee-based activity.

Expanded Global Big Day to ten-days of birding activities.

Expanded numbers and diversified hosts to multiple types of organizations.

Attracted major sponsors and vendors.



Biggest Week in Birding Sponsors

Special thanks to our 2022 co-hosts!



Thank you to our 2022 Sponsors!

Kirtland's Warbler Level



Major Support for the 2022 Biggest Week Provided By



Yellow Warbler Level



Myrtle Warbler Level



Tour Company Partners



Project Ideas – Remote Worker Attraction

- Remote Worker Attraction Package focused on Building a Welcoming Community and Successful Work Experience

Retiree Attraction Package

Key Decision Points

- Cost
- Family
- Sense of Community
- No or Slow internet is a non-starter
- Productivity support (co-working space, childcare, university / college)
- Things to do, places to go, good restaurants, attractive and affordable housing, healthcare

Potential Package Inclusion:

- Concierge to navigate everyday challenges ie childcare, doctors, cleaners
- Mentor to support successful work with information and access
- Buddy to make introductions, share events, and hang out with
- Reduced fee memberships, activities, events
- \$2,000 Moving stipend or help moving in

Examples

MakeMyMove



Remote Worker Attraction Package

Example: MakeMyMove

- 1 million visitors to site
- 70,000 registered movers
- 162 communities participating
- Average cost per relocation \$6-10,000 (not including incentives)



Indiana says “MakeMyMove is the highest yield program in the State” \$3,000,000 invested yielded \$25 million in new tax revenue

Average Remote Worker

- Income \$150,000
- Tax \$13,000
- Annual spending \$125,000
- New jobs created .8



Project Ideas – Organizational Development

Board training

Example

Fund development plan

Lake Superior Community Partnership,
Marquette, MI

Strategic plan / work plan / annual review
+ update

Organization certification

Staff training + certification

Build EDO network

Build EDO partnerships





The Lake Superior Community Partnership is Marquette County's leading resource for economic development, providing a wide variety of affordable and effective development services.

The LSCP helps our partners make the connections that matter – between businesses, organizations, leaders and legislators, and provides a powerful legislative voice for programs and policies that strengthen our regional economy.



Over the Past Five Years

65,800 Population

400 – 1,000 Clients Annually

300 – 1,500 New Jobs Annually

BRAND PILLARS

We are the region's leading economic development resource.



We provide a wide variety of affordable and effective development services — for businesses and municipalities.



We help make the connections that matter — between businesses, organizations, leaders and legislators.



We provide a powerful legislative voice, advocating for programs and policies that strengthen our regional economy.



Lake Superior Community Partnership

2021 IN NUMBERS

The LSCP provides a full range of business development services that address the challenges and opportunities that businesses face in all stages of their development. The economic development team works collaboratively with public and private sector partners in assisting our business development clients.

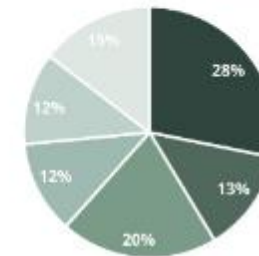
BUSINESS DEVELOPMENT RECAP

	5 Year Total	10 Year Total	2021	2020	2019	2018	2017
OVERALL CLIENTS	3,139	5,031	672	1,053	501	491	422
RETENTION CLIENTS	2,621	3,993	522	936	423	404	336
START-UP CLIENTS	431	872	132	106	64	63	66
ATTRACTION CLIENTS	90	156	18	11	14	27	20
JOB PROTECTED	4,250	7,318	324	836	1,359	1,372	359
JOB IMPACTED	54,329	104,398	8,052	14,529	12,937	9,835	8,976
JOB RETAINED	1,724	1,955	62	1,527	0	0	135



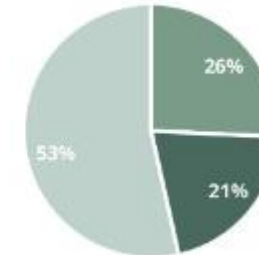
2022 BUDGET

INCOME



- DUES
- GOVERNMENT FEES FOR SERVICE
- CONTRACTS
- FUNDRAISING & SERVICES
- REGIONAL PARTNERS
- GRANTS & OTHER

EXPENSES



- MARKETING & MEMBER SERVICES
- OPERATIONS
- PROGRAMS

DUES	\$190,000
GOVERNMENT SERVICE FEES	89,162
CONTRACTS	136,380
FUNDRAISING & SERVICES	80,500
REGIONAL PARTNERS	80,000
GRANTS & OTHER	98,700
TOTAL INCOME	\$674,742
MARKETING & MEMBER SERVICES	159,093
OPERATIONS	128,368
PROGRAMS	330,525
TOTAL EXPENSE	\$617,986
NET INCOME	\$56,756



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Project Ideas - Healthcare

- ✓ Anchor institution analysis

Career pathway analysis

Example:

Healthcare Anchor Institution Strategies



Project Idea - Healthcare

HEALTH SYSTEMS ADOPTING ANCHOR STRATEGIES

LOCAL & DIVERSE PROCUREMENT

University Hospitals Cleveland, OH

Vision 2010: Leveraged \$1.2 billion construction investment over 5-year period; voluntarily set (and exceeded) goals for local spending, local hiring and spending with disadvantaged businesses. Evergreen Cooperative Initiative: Key partner in supporting “green,” employee-owned businesses linked to hospital, university procurement.

Johns Hopkins Health System Baltimore, MD

HopkinsLocal: “Embraces our role as an economic engine to create lasting opportunities” and created a “firm commitment” to build, hire and buy local with public goals.

University of Chicago Medicine Chicago, IL

UChicagoLocal: Provided a catalyst for Chicago Anchors for a Strong Economy (CASE), now comprising 15 anchors, including Rush University Medical Center and Advocate Healthcare, focused on local, diverse business development and

LOCAL & INCLUSIVE HIRING

University of Colorado Hospital and Children’s Hospital Colorado Aurora, CO

Hire Local: Hospital, university, community foundation partnership to create a pipeline for positions with career ladders for the diverse and low-income community of North Aurora.

Partners Healthcare (MGH & BWH) Boston, MA

Partners in Career and Workforce Development: Created a targeted healthcare careers training and employment program for up to 60 low-income community residents per year; 450 placed to date with \$15.50/hour as the current average wage.

University Hospitals Cleveland, OH

“Step Up To UH”: Developed a targeted employment strategy for frontline positions that links a community-based organization, local workforce intermediary and the hospital’s human resources department to create a jobs pipeline from targeted disinvested and low-income neighborhoods.

COMMUNITY INVESTMENT

Trinity Health 21 U.S. States

Community Investing Program: Invests percentage of investment portfolio with Community Development Financial Institutions (CDFIs), financial institutions that provide credit, financial and technical services to low-income and underserved people and invest in affordable housing, grocery stores, FQHCs, transit-oriented development, and business start-ups.

Dignity Health California, Nevada, Arizona

Community Investment Program: Addresses upstream social determinants of health through direct and indirect loans as a patient capital lender. Currently leverages more than \$100 million from its savings in low-interest loans for underserved communities.

Gundersen Health System Lacrosse, WI

Envision: Redirected 5% of investment portfolio into local, renewable energy production, achieving higher ROI and 100% energy independence in 2014.

UPSTREAM COMMUNITY BENEFIT

Bon Secours Health System Richmond, VA, Baltimore, MD

CommunityWorks: Constructed more than 650 units of affordable housing and has worked with residents to convert more than 640 vacant lots into green spaces in West Baltimore. Supporting East End Entrepreneurship (SEED): Partnered with community development intermediary USC to grant \$150,000 (\$50,000/3 years) to support locally-owned businesses in disinvested neighborhood in Richmond.

ProMedica Toledo, OH

Market on the Green: Identified hunger as a community health need and developed a “community hub” with a hospital-operated grocery store, dental services, financial literacy programs and job training.

Mayo Clinic Rochester, MN

First Homes: Partnered with the local community foundation and the state to develop a community land trust to preserve housing affordability; Minnesota’s largest community-based assisted-housing program with 875 units.

Data collected by Katie Parson,
Research by Michelle Szymanski,
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End of Day One

